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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

FQ2-2258

For the Quarter Ended
March 31, 1992

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Commission File
No. 0-2374

CRYSTAL MOUNTAIN, INC.

A Washington Corporation

IRS Employer
Identification
No. 91-0683256

P.O. Box 1
Crystal Mountain, Washington 98022

Registrant's Telephone Number, Including Area Code:
(206) 663-2265

At March 31, 1991, 26,609 shares of Class A Common Stock and 710 shares of Class B Common Stock were outstanding.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ✓ No _____

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CRYSTAL MOUNTAIN INCORPORATED
CONDENSED BALANCE SHEETS
(UNAUDITED)

ASSETS

	MARCH 31 1992	MARCH 31 1991	SEPTEMBER 30 1991
CURRENT ASSETS:			
Cash and certificates of deposit	$49,337	$536,458	$144,497
Discretionary fund (Note 2)	226,826	216,892	223,705
Receivables	248,015	317,810	109,790
Inventories	50,405	82,026	46,519
Prepaid expenses and other	208,963	104,224	143,843
Federal income tax receivable	0	111,190	0
Total current assets	783,546	1,368,600	668,354
LAND IMPROVEMENTS, BUILDINGS, EQUIPMENT, & CONSTRUCTION IN PROGRESS (Note 1)	16,195,205	15,810,597	15,992,048
Less accumulated depreciation	7,786,195	7,007,957	7,390,524
Land improvement, buildings, and equipment - net	8,409,010	8,802,640	8,601,524
OTHER ASSETS:			
Lease Deposits	2,965	2,824	2,824
Loan fees, net of amortization	21,616	24,713	24,134
	24,581	27,537	26,958
Total assets	$9,217,137	$10,198,777	$9,296,836

The accompanying notes are an integral part of these condensed financial statements.

CRYSTAL MOUNTAIN, INC.
CONDENSED BALANCE SHEET
(UNAUDITED)

LIABILITIES AND STOCKHOLDERS' INVESTMENT

	MARCH 31 1992	MARCH 31 1991	SEPTEMBER 30 1991
CURRENT LIABILITIES:			
Current installments of long-term deb	$9,859	$29,143	$219,362
Current Installments of obligations under capitalized leases	16,142		16,142
Notes Payable			0
Accounts Payable	110,131	266,978	156,177
Accrued liabilities	703,884	782,320	375,033
Interest Payable	79,443	146,138	132,418
Deferred income (Note 7)	1,675	1,200	161,578
Total current liabilities	921,134	1,225,779	1,060,710
LONG-TERM DEBT (Note 5) excluding current installments	3,358,000	4,239,741	5,220,000
OBLIGATIONS UNDER CAPITALIZED LEASES excluding current installments	25,435		46,123
DEFERRED INCOME TAX (Note 7)	135,000	261,000	135,000
Total liabilities	4,439,569	5,726,520	6,461,833
COMMITMENTS AND CONTINGENCIES (Note 9)	-	-	-
STOCKHOLDERS' INVESTMENT (Note 1):			
Common stock-			
Class A, $50 par value per share, 90,000 shares authorized; 26,609 shares issued and outstanding	1,330,450	1,330,450	1,330,450
Class B, $20 par value per share, 25,000 shares authorized; 710 shares issued and outstanding	14,200	14,200	14,200
Paid in capital	505,238	505,238	505,238
Retained earnings, beginning of year	985,115	973,239	985,115
Net income	1,942,565	1,649,130	
Total stockholders' investment	4,777,568	4,472,257	2,835,003
Total liabilities and stockholders' investment	$9,217,137	$10,198,777	$9,296,836

The accompanying notes are an integral part of these condensed financial statements.

CRYSTAL MOUNTAIN, INC.
CONDENSED STATEMENTS OF INCOME
(UNAUDITED)

	For the Three Months Ended March 31		For the Six Months Ended March 31	
	1992	1991	1992	1991
REVENUES:				
Lift tickets	$3,158,118	$3,058,757	$4,962,245	$4,399,451
Food services	1,249,646	1,204,631	1,758,726	1,616,185
Ski school & racing	219,608	154,219	281,598	190,710
Concessionaires & housing	182,647	227,540	272,798	289,710
Other resort revenue	64,070	87,441	138,925	109,807
Total revenues	4,874,089	4,732,588	7,414,292	6,605,863
EXPENSES:				
Mountain & resort operations	1,313,313	1,024,187	2,277,983	1,800,486
Food services	816,305	794,702	1,232,059	1,091,015
General and administrative	722,124	666,730	1,364,754	1,362,201
Depreciation	210,418	213,124	411,934	417,533
Total expenses	3,062,160	2,698,743	5,286,730	4,671,235
INCOME FROM OPERATIONS	1,811,929	2,033,845	2,127,562	1,934,628
OTHER INCOME (EXPENSE)				
Interest revenue	4,377	5,870	6,253	12,360
Interest expense	(62,934)	(138,795)	(191,525)	(301,858)
Other	75	0	275	4,000
OTHER INCOME (EXPENSE), net	(58,482)	(132,925)	(184,997)	(285,498)
INCOME BEFORE INCOME TAX	1,753,447	1,900,920	1,942,565	1,649,130
INCOME TAX PROVISION (Note 2)	None	None	None	None
NET INCOME	$1,753,447	$1,900,920	$1,942,565	$1,649,130
SHARES OF COMMON STOCK:				
Class A, Outstanding	26,609	26,609	26,609	26,609
Class B, Outstanding	710	710	710	710
EARNINGS PER SHARE	$64.18	$69.58	$71.11	$60.37

The accompanying notes are an integral part of these condensed financial statements.

CRYSTAL MOUNTAIN, INC.
STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the Three Months Ended March 31		For the Six Months Ended March 31	
	1992	1991	1992	1991
CASH FLOWS FROM OPERATING ACTIVITES:				
Net Income (Loss)	$1,753,.47	$1,900,920	$1,942,565	$1,649,130
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation and amortization	210,418	213,124	411,934	417,533
Change in:				
(Increase) decrease in accounts receivable	107,796	(10,981)	(138,225)	(197,525)
(Increase) decrease in income tax receivable	0	0	0	0
(Increase) decrease in inventory	76,966	30,684	(3,886)	(30,589)
(Increase) decrease in prepaid expenses	(19,933)	43,034	(65,120)	(22,972)
(Increase) decrease in other assets	0	(1,595)	(141)	(1,595)
Increase (decrease) in accounts payable	(195,688)	(49,288)	(46,046)	64,053
Increase (decrease) in accrued liabilities	(52,692)	17,235	328,851	457,089
Increase (decrease) in interest payable	(58,639)	(32,286)	(52,975)	(16,768)
Increase (decrease) in deferred income	(5,243)	(13,485)	(159,903)	(150,027)
Increase (decrease) in deferred income tax	0	0	0	0
Total adjustments and changes	62,985	196,442	274,489	519,199
Net cash provided (used) by operating activities	1,816,432	2,097,362	2,217,054	2,168,329
CASH FLOWS FROM INVESTING ACTIVITIES:				
(Increase) decrease in discretionary fund	(3,121)	(3,666)	(3,121)	(125,130)
Capital expenditures	(80,558)	(15,026)	(216,902)	(62,071)
Net cash provided (used) by investing activities	(83,679)	(18,692)	(220,023)	(187,201)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Net line of credit borrowing				
Principal payments on short term debt/net	(6,743)	(107,043)	(209,503)	(736,199)
Principal payments on long term debt	(2,297,840)	(1,984,723)	(1,882,688)	(983,399)
Proceeds from long term debt				
Net cash provided (used) by financing activities	(2,304,583)	(2,091,766)	(2,092,191)	(1,719,598)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(571,830)	(13,096)	(95,160)	261,530
CASH AND CASH EQUIVALENTS, beginning of period	621,167	549,554	144,497	274,928
CASH AND CASH EQUIVALENTS, end of period	49,337	536,458	49,337	536,458

The accompanying notes are an integral part of these condensed financial statements.

CRYSTAL MOUNTAIN, INC.
NOTES TO CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)
For the Three Months Ended March 31, 1992 and 1991

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Special Use Permit

Crystal Mountain, Inc., utilizes acreage in the vicinity of Crystal Mountain under a Term Special Use Permit from the U.S. Department of Agriculture, Forest Service. According to this permit, the Company is required to pay a fee to the Forest Service. A graduated fee system based on net revenues and gross fixed assets is used. The resulting fee was approximately 2% of revenues in 1989, 1990 and 1991. The tentative fee is currently 1.81%. Crystal has negotiated a 40 year extension of its permit with the Forest Service

Land Improvements, Buildings and Equipment

Land improvements, buildings and equipment are recorded at cost. Depreciation of these assets is based on the straight-line method over the following estimated useful lives:

		1992	1991
Land Improvements	20 year	$2,547,453	$2,544,387
Buildings & Utilit	5 - 20 year	5,008,694	4,960,939
Lifts	15 - 20 year	5,833,404	5,768,952
Equipment	3 - 10 year	2,744,459	2,536,319
Equipment--Cap Lea	5 year	61,195	0
Totals		$16,195,205	$15,810,597

Maintenance, repairs and renewals which do not increase the value of property or extend useful lives are charged to expense as incurred.

Discretionary Fund

The Company elected in 1987 to set aside and accumulate funds, at in to be used for future Corporate purposes designated by the Board of The funds set aside total $344,084 and $328,316 at March 31, 1992 an Included in those funds are cash equivalents, defined as short term investments with a maturity date at purchase of three months or less; these cash equivalents amounted to $117,258 and $111,424 for 1992 and 1991, respectively.

Other

Inventories: Food service and fuel inventories are stated at the lower of cost or market (first-in, first-out basis).

Other Assets: The costs of legal and bank fees incurred in acquiring long-term financing are being amortized over the loan term using the straight-line method.

Note 2: INCOME TAX

Pretax income through March 31, 1992 is offset by carryforward of net operating losses and tax credits, so no federal income tax is recorded in these statements. At September 30, 1991, Crystal approximately $2,100,000 of net operating loss carryforwards (expiring between 1993 and 2007) which can be used to offset future income subject to federal taxes. For financial statement purposes, the Company has approximately $1,600,000 of net operating loss carry expiring between 1993 and 2006.

In addition, the Company has unused general business credits investment and targeted jobs credits) of approximatley $242,000 expiring between 2000-2004. These credits can be used to reduce future income tax after use of loss carryforwards.

Note 3: DEFERRED INCOME

For September 30, 1990, deferred income represents proceeds from the sale of season passes for the subsequent ski season. In addition, deferred income results from advance payments by groups who have made reservations for later in the year and by ski school customers who prepay for lessons over a period of time.

Note 4: NOTES PAYABLE/SHORT-TERM BORROWING

The seasonal line has been increased from $1,000,000 to $1,500,000. This line must be paid off for at least 45 days during any one year.

	1991	1990
Line of Credit	$1,500,000	$1,000,000
Balance due Seafirst	$0	$0
Interest rate	Bank Base Rate Plus .75%	Bank Base Rate Plus .75%

Note 5: LONG TERM DEBT

Long-term notes and contracts payable consist of the following:

	1991	1990
Note payable, bank, interest @ prime rate plus .75%. Due 2002	$3,358,000	$4,239,741
Notes payable to bank, 7% due 1983 to 1991	1,201	18,572
Contracts payable 12% due 1983 to 1991	8,658	8,658
Equipment purchase contract balance due 5/15/91	0	1,913
	$3,367,859	$4,268,884
Current portion	(9,859)	(29,143)
Total	$3,358,000	$4,239,741

The Company had secured a $5,650,000 long-term loan from Seafirst in June, 1988, due December 1, 2000. Interest is at the prime rate plus .75% and is secured by a $2,000,000 keyman life insurance on th life of the Company president and a lien on all property, inventories, accounts, and equipment held or hereafter acquired. The Company has assigned in trust to the lender all its interest and and rights under its Term Special Use Permit with the U S Forest Ser to the extent allowable under the terms of the permit.

On October 5, 1991, the Company amended and restated its loan agreement with agreement with Seafirst, expanding the long term loan from $5,193,000 to $6,200,000, and increasing its seasonal note from a maximum of $1,000,000 to $1,500,000, providing a total line of credit of $7,700,000. This line was reduced by a scheduled principal repayment of $287,000 made during the quarter ended June 30, 1991.

The Company is usually required to make a minimum principal repayment of $200,000 plus 50% of cash flow after a reinvestment allowance for capital additions. However, the Company can elect to skip its principal payment after any year in which skier visits are less than 320,000.

Note 6: LEASE OBLIGATIONS

Crystal leases certain office and kitchen equipment and automobiles under capitalized lease arrangements.

Note 7: OFFICER'S LIFE INSURANCE PLAN

The Company has provided a $271,000 face value, split dollar life insurance plan owned by the Company president. The policy has been assigned to the Company and is subject to the various stipulations in the correlated employment and split dollar insurance agreements dated March 20, 1986. No cash value adheres to the Company.

Note 8: COMMITMENTS AND CONTINGENCIES

Tax consequences which may arise relative to the current status of the lift ticket privilege are, under current regulations, undeterminable at this time.

Note 9: ENUMCLAW RENTAL

In January 1989, the Company leased general office premises in Enumclaw, Washington for five years. The future minimum rental payments are as follows:

1992	9,000
1993	12,000
	21,000

Note 10: 401K RETIREMENT PLAN

Effective January 1, 1991, the Company instituted a 401K retirement plan for employees who meet eligibility requirements.

Note 11: NOTES TO FINANCIAL STATEMENTS

Reference to the notes to financial statements for the year ended September 30, 1991 and to the form 10K of the same date.

CRYSTAL MOUNTAIN INC

QUARTER ENDED MARCH 31, 1992

Management's Discussion and Analysis of
Financial Condition and the Resultas of Operation

For the quarter ended March 31, revenues of $4,874,089 were up 3% from those of the prior year. Warm weather impacted business adversely during the last two weeks of operation of the quarter, causing closure of the Resort on March 29.

Mountain and resort operations expense of $1,313,313 was up 28%. For the most part, this was a planned increase--for example, the snow cat grooming fleet was increased by 33% to provide a better quality product for customers. Some of the increase was due to higher than anticipated expense in maintaining equipment of all types.

Food services expense of $816,305 was up 3% to support increased revenues of 4%.

General and administrative expense was up 8% for the quarter due primarily to timing differences in expenditures. Year-to-date G & A was almost flat from last year to the current year, being up only two tenths of one percent.

Depreciation expense of $210,418 was down 1% from the previous year, reflecting reduced capital expenditures over the last two years.

Interest expense was down 55%, resulting from a combination of reduced interest rates and lower levels of debt. The Company pays an interest rate which is 3/4 percent plus the prime rate, and the prime rate has dropped steadily throughout the year.

No provision was made for income tax expense because loss carryforwards are sufficient to offset any taxable income which can be generated in the current year.

The result was a net income of $1,753,447, down 8% from the previous year.

CRYSTAL MOUNTAIN, INC.

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized on the 15th day of May, 1992.

CRYSTAL MOUNTAIN, INC.

Date: May 15, 1992

By Tom Leonard
Tom Leonard

President

Date: May 15, 1992

By Arnold Rolfsrud
Arnold Rolfsrud

Manager, Finance